

LEGISLATURE OF NEBRASKA  
NINETY-SIXTH LEGISLATURE  
SECOND SESSION  
**LEGISLATIVE BILL 1399**  
FINAL READING

Introduced by Bohlke, 33; Coordsen, 32; Wehrbein, 2;  
Wickersham, 49; Vrtiska, 1

Read first time January 20, 2000

Committee: Education

A BILL

1 FOR AN ACT relating to teachers; to provide for a salary study; to  
2 create a task force; to provide a termination date; to  
3 adopt the Master Teacher Program Act; to adopt the  
4 Attracting Excellence to Teaching Program Act; to provide  
5 duties for the Nebraska Volunteer Service Commission; to  
6 provide severability; and to declare an emergency.  
7 Be it enacted by the people of the State of Nebraska,

1           Section 1.     The Teacher Salary Task Force is created.  
2     The task force shall consist of the members appointed pursuant to  
3     section 2 of this act.   The task force shall report its findings  
4     and recommendations pursuant to section 4 of this act to the Clerk  
5     of the Legislature and the Education Committee of the Legislature  
6     on or before October 1, 2000.

7           Sec. 2.   (1) Members of the Teacher Salary Task Force  
8     shall be appointed by the Executive Board of the Legislative  
9     Council on or before April 15, 2000, and shall include:

10           (a) The chairperson of the Education Committee of the  
11     Legislature;

12           (b) The chairperson of the Appropriations Committee of  
13     the Legislature;

14           (c) The chairperson of the Revenue Committee of the  
15     Legislature;

16           (d) A representative of a teachers' organization;

17           (e) A representative of an association of school boards;

18           (f) A representative of an association of school  
19     administrators;

20           (g) A teacher, or former teacher as described in and  
21     subject to the limitations of subsection (2) of this section, from  
22     a school district which is in the very sparse cost grouping  
23     pursuant to section 79-1007.02;

24           (h) A teacher, or former teacher as described in and  
25     subject to the limitations of subsection (2) of this section, from  
26     a school district which is in the sparse cost grouping pursuant to  
27     section 79-1007.02;

28           (i) A teacher, or former teacher as described in and

1 subject to the limitations of subsection (2) of this section, from  
2 a school district with fewer than nine hundred students in the  
3 standard cost grouping pursuant to section 79-1007.02;

4 (j) A teacher, or former teacher as described in and  
5 subject to the limitations of subsection (2) of this section, from  
6 a school district with nine hundred or more students in the  
7 standard cost grouping pursuant to section 79-1007.02;

8 (k) Four taxpayers. One taxpayer from each of the school  
9 districts represented by a teacher as listed in subdivisions (1)(g)  
10 through (1)(j) of this section;

11 (l) A representative of the business community who has a  
12 background in human resources;

13 (m) A benefits consultant;

14 (n) A representative from a community organization aimed  
15 at assisting schools in meeting the national education goals  
16 established under the federal Goals 2000: Educate America Act, 20  
17 U.S.C. 5801 et seq.;

18 (o) A representative of a Nebraska tax policy research  
19 organization;

20 (p) A representative of the Governor's Policy Research  
21 Office; and

22 (q) A former teacher who left the profession due to  
23 retirement or for another career preceding appointment to the task  
24 force.

25 (2) For the teacher members appointed pursuant to  
26 subdivisions (1)(g) through (1)(j) of this section, there shall be  
27 gender, age, and experience diversity and up to one-half of such  
28 members may be former teachers who left the profession for another

1 career preceding appointment to the task force. Members of the  
2 task force shall be reimbursed for their actual and necessary  
3 expenses incurred in carrying out their duties as members of the  
4 task force as provided in sections 81-1174 to 81-1177. The  
5 Education Committee of the Legislature, the Legislative Fiscal  
6 Analyst, and the State Department of Education shall provide  
7 research and administrative support for the task force. For  
8 budgetary purposes only, the task force shall be within the  
9 Legislative Council.

10           Sec. 3. The chairperson of the Education Committee of  
11 the Legislature shall be the chairperson of the Teacher Salary Task  
12 Force and shall call the initial and subsequent meetings of the  
13 task force. The initial meeting of the task force shall include a  
14 presentation from a national expert on paying teachers for what  
15 they know and how they perform and shall give an opportunity for  
16 task force members to ask the national expert questions about  
17 paying teachers for what they know and how they perform.

18           Sec. 4. The Teacher Salary Task Force shall study the  
19 following topics and make recommendations for Nebraska policies and  
20 potential legislation to the Clerk of the Legislature and the  
21 Education Committee of the Legislature:

22           (1) Paying teachers for what they know and how they  
23 perform;

24           (2) Creating and funding alternate pay scales for  
25 teachers who choose extended contracts;

26           (3) Appropriate compensation levels for attracting and  
27 retaining quality teachers;

28           (4) The impact of benefits as a part of total

1 compensation for teachers;

2 (5) Funding methods and sources for any increases in  
3 teacher compensation suggested by the task force;

4 (6) Should there be greater control of the educational  
5 process and facilities for the schools by the State of Nebraska, if  
6 the state provides substantial additional funding for teachers'  
7 salaries; and

8 (7) Other topics as determined by the task force.

9 Sec. 5. The Education Committee of the Legislature shall  
10 hold at least one public hearing in each congressional district in  
11 Nebraska on the recommendations of the Teacher Salary Task Force  
12 before December 31, 2000.

13 Sec. 6. The Teacher Salary Task Force terminates on  
14 December 31, 2000.

15 Sec. 7. Sections 7 to 14 of this act shall be known and  
16 may be cited as the Master Teacher Program Act.

17 Sec. 8. The Master Teacher Program is created. The  
18 purpose of the program is to build a group of recognized teachers  
19 of high achievement in the teaching profession. The State  
20 Department of Education shall administer the program.

21 Sec. 9. For purposes of the Master Teacher Program Act:

22 (1) Credentialing organization means a national nonprofit  
23 organization (a) approved by the State Department of Education, (b)  
24 the purpose of which is to establish high and rigorous standards in  
25 a broad range of educational areas for what accomplished teachers  
26 should know and be able to do, and (c) which issues credentials to  
27 teachers who demonstrate that they meet those standards; and

28 (2) Teacher means a person who holds a valid certificate

1 to teach in Nebraska issued by the Commissioner of Education, who  
2 has been employed as a teacher for at least three years in a public  
3 or private school accredited or approved by the State Department of  
4 Education, and who continues to be employed as a teacher in such a  
5 school.

6           Sec. 10. In any year for which an appropriation is made  
7 for the Master Teacher program, each teacher in the Master Teacher  
8 Program shall receive an annual salary bonus of five thousand  
9 dollars up to a statewide total of one million dollars. If the  
10 number of teachers qualifying for the bonus exceeds the number  
11 which the one million dollars would fully fund at the  
12 five-thousand-dollar level, the bonuses shall be reduced such that  
13 each teacher in the program receives the same amount and the  
14 statewide total does not exceed one million dollars. The State  
15 Department of Education shall allocate the annual salary bonus to  
16 each teacher in the program. Payment of such annual salary bonus  
17 shall not exceed the life of the credentials and shall be made only  
18 upon approval by the department of an application or upon  
19 reapproval each year after receiving the initial salary bonus.

20           Sec. 11. Teachers may achieve master teacher status by  
21 earning credentials from a credentialing organization. To be  
22 eligible for the Master Teacher Program, a teacher with master  
23 teacher status shall apply to the State Department of Education.

24           Sec. 12. The Master Teacher Program Fund is created.  
25 The fund shall be administered by the State Department of Education  
26 to carry out the purposes of the Master Teacher Program Act. Any  
27 money in the fund available for investment shall be invested by the  
28 state investment officer pursuant to the Nebraska Capital Expansion

1 Act and the Nebraska State Funds Investment Act.

2           Sec. 13.    A teacher who applies to a credentialing  
3 organization for credentials required for master teacher status  
4 shall be eligible for a registration award to pay for application  
5 and registration fees associated with obtaining the credentials.  
6 To receive a partial registration award in the amount of one-half  
7 of the associated fees, the teacher shall register with the State  
8 Department of Education within one year of application to the  
9 credentialing organization by submitting any documentation required  
10 by rule and regulation. To receive a final registration award in  
11 the amount of the remaining fees, the teacher shall notify the  
12 department that the teacher received the credentials and shall  
13 submit any documentation required by rule and regulation. Up to  
14 forty eligible teachers shall receive the first half of a  
15 registration award each year.

16           Sec. 14.    The State Board of Education shall adopt and  
17 promulgate rules and regulations to carry out the Master Teacher  
18 Program Act.

19           Sec. 15.    Sections 15 to 23 of this act shall be known  
20 and may be cited as the Attracting Excellence to Teaching Program  
21 Act.

22           Sec. 16.    For purposes of the Attracting Excellence to  
23 Teaching Program Act:

24                   (1) Department means the State Department of Education;

25                   (2) Eligible institution means a not-for-profit college  
26 or university which (a) is located in Nebraska, (b) is accredited  
27 by the North Central Association of Colleges and Schools, (c) has a  
28 teacher education program accredited by the department, and (d) if

1 a privately funded college or university, has not opted out of the  
2 act pursuant to rules and regulations;

3 (3) Eligible student means an individual who (a) is a  
4 full-time student, (b) is enrolled in an eligible institution in a  
5 teacher education program, and (c) if enrolled at a state-funded  
6 eligible institution, is a resident student as described in section  
7 85-502 or, if enrolled in a privately funded eligible institution,  
8 would be deemed a resident student if enrolled in a state-funded  
9 eligible institution;

10 (4) Full-time student means, in the aggregate, the  
11 equivalent of a student who in a twelve-month period is enrolled in  
12 thirty semester credit hours or forty-five quarter credit hours of  
13 classroom, laboratory, clinical, practicum, or independent study  
14 course work; and

15 (5) Teacher education program means a program of study  
16 which results in obtaining a bachelor's degree which meets the  
17 education requirements for certification pursuant to sections  
18 79-806 to 79-816.

19 Sec. 17. The Attracting Excellence to Teaching Program  
20 is created. The purposes of the program are to:

21 (1) Attract outstanding students to the teacher education  
22 programs of Nebraska's postsecondary educational institutions;

23 (2) Retain resident students and graduates as teachers in  
24 the accredited or approved public and private schools of Nebraska;  
25 and

26 (3) Establish a loan contract that requires a borrower to  
27 obtain employment as a teacher in this state after graduation.

28 Sec. 18. (1) The State Department of Education shall



1 administer the Attracting Excellence to Teaching Program either  
2 directly or by contracting with a public or private entity.

3 (2) To be eligible for the program, an eligible student  
4 shall:

5 (a) Graduate in the top quarter of his or her high school  
6 class or have a minimum cumulative grade-point average of 3.0 on a  
7 four-point scale in an eligible institution;

8 (b) Agree to complete a teacher education program at an  
9 eligible institution; and

10 (c) Commit to teach in an accredited or approved public  
11 or private school in Nebraska upon successful completion of a  
12 teacher education program at an eligible institution and becoming  
13 certified pursuant to sections 79-806 to 79-816.

14 (3) Eligible students may apply on an annual basis for  
15 loans in an amount of not more than two thousand five hundred  
16 dollars per year. Priorities for loans shall be to eligible  
17 students who are majoring in subject shortage areas as defined by  
18 the department. Loans awarded to individual students shall not  
19 exceed a cumulative period exceeding five consecutive years. Loans  
20 shall only be awarded through an eligible institution and funded  
21 pursuant to section 19 of this act.

22 Sec. 19. The Attracting Excellence to Teaching Program  
23 Cash Fund is created. The fund shall consist of appropriations by  
24 the Legislature and loan repayments, penalties, and interest  
25 payments received in the course of administering the Attracting  
26 Excellence to Teaching Program. The department shall allocate on  
27 an annual basis the funds to be distributed for the program to all  
28 eligible institutions according to the distribution formula as

1 determined by rule and regulation. The eligible institutions shall  
2 act as agents of the department in the distribution of the funds to  
3 eligible students. Any money in the fund available for investment  
4 shall be invested by the state investment officer pursuant to the  
5 Nebraska Capital Expansion Act and the Nebraska State Funds  
6 Investment Act.

7           Sec. 20. (1) Prior to receiving any money from a loan  
8 pursuant to the Attracting Excellence to Teaching Program, an  
9 eligible student shall enter into a contract with the department.  
10 The contract shall require that if (a) the borrower is not employed  
11 as a teacher in Nebraska for a time period equal to the number of  
12 years required for loan forgiveness pursuant to subsection (2) of  
13 this section and is not enrolled as a full-time student in a  
14 graduate program within six months after obtaining an undergraduate  
15 degree for which a loan from the program was obtained or (b) the  
16 borrower does not complete the requirements for graduation within  
17 five consecutive years after receiving the initial loan under the  
18 program, then the loan must be repaid, with interest at the rate  
19 fixed pursuant to section 45-103 accruing as of the date the  
20 borrower signed the contract, and an appropriate penalty as  
21 determined by the department may be assessed. If a borrower fails  
22 to remain enrolled at an eligible institution or otherwise fails to  
23 meet the requirements of an eligible student, repayment of the loan  
24 shall commence within six months after such change in eligibility.  
25 The State Board of Education may by rules and regulations provide  
26 for exceptions to the conditions of repayment pursuant to this  
27 subsection based upon mitigating circumstances.

28           (2) If the borrower (a) successfully completes the

1 teacher education program and becomes certified pursuant to  
2 sections 79-806 to 79-816, (b) becomes employed as a teacher in  
3 this state within six months of becoming certified, and (c)  
4 otherwise meets the requirements of the contract, payments shall be  
5 suspended for the number of years that the borrower is required to  
6 remain employed as a teacher in this state under the contract. For  
7 each year that the borrower teaches in Nebraska pursuant to the  
8 contract, payments shall be forgiven in an amount equal to the  
9 amount borrowed for one year, except if the borrower teaches in a  
10 school district that is at least partially in a local system  
11 classified in the very sparse cost grouping as provided in section  
12 79-1007.02 or teaches in a school district in which at least forty  
13 percent of the students qualify for the poverty factor as provided  
14 in section 79-1007.01, payments shall be forgiven each year in an  
15 amount equal to the amount borrowed for two years.

16           Sec. 21.       The department has the administrative  
17 responsibility to track borrowers and to develop repayment tracking  
18 and collection mechanisms. The department may contract for such  
19 services. When a loan has been forgiven pursuant to section 20 of  
20 this act, the amount forgiven may be taxable income to the borrower  
21 and the department shall provide notification of the amount  
22 forgiven to the borrower, the Department of Revenue, and the United  
23 States Internal Revenue Service if required by the Internal Revenue  
24 Code.

25           Sec. 22.   (1) Each eligible institution shall file an  
26 annual report with the department containing such information as  
27 required by rule and regulation. On or before November 15 of each  
28 year, the department shall submit a report to the Education

1 Committee of the Legislature providing, at a minimum, information  
2 on an institution-by-institution basis and the status of borrowers.  
3 The report shall include a financial statement and a description of  
4 the activity of the Attracting Excellence to Teaching Program Cash  
5 Fund.

6 (2) The department shall also provide a report to the  
7 Governor and the Clerk of the Legislature by December 31, 2005, on  
8 the status of the program, the status of the borrowers, and the  
9 impact of the program on the number of teachers in Nebraska.

10 (3) Any report pursuant to this section which includes  
11 information about borrowers shall exclude confidential information  
12 or any other information which specifically identifies a borrower.

13 Sec. 23. The State Board of Education shall adopt and  
14 promulgate rules and regulations to carry out the Attracting  
15 Excellence to Teaching Program Act.

16 Sec. 24. The Nebraska Volunteer Service Commission shall  
17 submit a program proposal to the Corporation for National Service  
18 to obtain funding for educational awards. The awards shall be used  
19 by the commission to (1) provide incentives for new college  
20 graduates to establish their teaching careers in Nebraska and (2)  
21 provide incentives for experienced Nebraska teachers to pursue  
22 graduate degrees. It is the intent of the Legislature that the  
23 State Department of Education shall provide state funding to the  
24 Nebraska Volunteer Service Commission to contract for a program  
25 officer position for the Teacher Corps AmeriCorps Education Award  
26 Program if the Corporation for National Service commits to funding  
27 such program in Nebraska. State funding provided by the State  
28 Department of Education shall be used by the Nebraska Volunteer

1 Service Commission to contract for a program officer position to  
2 meet the required monitoring and compliance responsibilities of the  
3 program.

4           Sec. 25. If any section in this act or any part of any  
5 section is declared invalid or unconstitutional, the declaration  
6 shall not affect the validity or constitutionality of the remaining  
7 portions.

8           Sec. 26. Since an emergency exists, this act takes  
9 effect when passed and approved according to law.